



Date: July 9, 2013

To: Thomas Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald M. Long, Director Solid Waste Management
Subject: Contract to Transport, Process and Market Electronic Materials

Executive Summary

This contract will allow for the continued collection, processing and marketing of electronic waste, and is necessary because the city's existing collector stopped collecting these materials as of January 2013. ECOFLO, the Contractor that operates the City of Durham's Household Hazardous Waste (HHW) facility, also collected and managed electronic waste (computers, televisions and small appliances) that are accepted at the facility. In September 2012, ECOFLO, informed the City of its intent to cancel acceptance of electronic waste, with an expected cancellation date of December 31, 2012. Since that time, Solid Waste Management Department (SWM) staff has collected and stored electronic waste at the City's Transfer Station Convenience Center. The department does not have the capacity to transport and market these materials.

In March 2013, a Request for Proposal (RFP) was issued soliciting proposals from qualified service providers that could collect, transport, process and market electronic materials. Six service providers responded to the RFP. Based on the rankings of the review committee, Creative Recycling Systems of North Carolina, LLC provided the best response to meet the City's needs of collecting and managing electronic waste that is collected at the City's Transfer Station Convenience Center ("Convenience Center").

Recommendation

The Administration recommends the City Council authorize the City Manager to execute a contract between the City of Durham and Creative Recycling Systems of North Carolina, LLC for the purpose of collecting, transporting, processing and marketing electronic waste collected at the Convenience Center. The initial term of the Contract is four years with an option to renew for three additional two-year terms, for a total contract period of ten years. All services provided as a result of this contract are at no cost to the City. The City will receive a payment from the Contractor based on the pounds of electronic waste collected from the Convenience Center.

Background

Since January 2004, ECOFLO, Inc. has been City's Contractor to operate the Household Hazardous Waste facility, which included collecting and managing electronic materials that were disposed at the facility. Prior to July 2011, ECOFLO charged the City a per pound rate for the collection and management of e-waste. Between July 2011 and the termination of e-waste services by ECOFLO, there was no charge for their management of e-waste.

The Contract has undergone four amendments, creating changes that ranged from moving HHW services from Water Management to the Solid Waste Management Department in order to create a “seamless” HHW experience for citizens, changes to the scope of services, and contract term extensions.

In September 2012, ECOFLO informed the City that it was no longer economically feasible for them to provide the collection and management of electronic waste at no cost, and of its intent to cancel these services effective December 2012. In March 2013, a Request for Proposal (RFP) was issued soliciting proposals from qualified service providers that could collect, transport, process and market electronic materials. Six service providers responded to the RFP. A review panel of three SWM employees reviewed and scored the responses in the categories of understanding the project, methodology for servicing the project, management of the project, experience and qualifications and contract cost. The responders and their total scores are as follows: Waste Management (23.4), GEEP (24.85), Creative Recycling (27.55), SR Processors LTD (19.8), Waste to Green (13.9) and Telecycle (18.9).

During FY 2011-2012, over 820,000 pounds of HHW and electronic waste was diverted from the waste stream. Since ECOFLO ceased collecting and managing electronic waste, 40,100 pounds of electronic waste have been collected. The continued collection of electronic materials at the City’s facility is a vital service to the community that ensures the safe disposal of electronic waste, as well as assists in meeting the City’s waste reduction goals.

Issues/Analysis

Without a current service provider to collect, transport, process and market electronic materials, the Department must continue to collect and store electronic waste at the Convenience Center until such time a vendor has been identified to provide this service; or, the Department will have to pay a vendor to transport and dispose of the materials that have been collected. Soon, there will not be enough space at the Convenience Center to continue collecting and storing these materials.

Alternatives

One alternative to contracting with this vendor to collect and manage electronic waste materials is for SWM to continue collecting and storing the electronic waste material and then pay a vendor to dispose of the collected materials. This option would be more costly to the department’s operating budget, and will also be an inconvenience to Durham’s residents if SWM has to stop collecting electronic waste for a period of time due to lack of storage space.

Another alternative is to issue another RFP and start the search process again. There is no guarantee that different service providers will respond. There is also the chance that another service provider will not offer this service at no cost or offer the City a payment for the electronic materials collected.

Financial Impact

All services to this contract are at no cost to the City. The City will receive a payment based on the pounds of electronic waste collect from the Convenience Center. The amount paid to the City is based on the amount and type of certain materials collected, and is detailed in Attachment A of the contract.

SDBE Summary

Not applicable

Attachments

Contract between the City of Durham and Creative Recycling Systems of North Carolina, LLC